

Times magazine says, "Debt," and the subtitle is, "America's Scariest Addiction is Getting Even Scariier." Well, we added to the debt today.

Now, the question is, What does it mean when a country goes into debt? It means that we do not tax the people sufficiently for what services they expect, so we have to borrow the money. This year, we are borrowing from the Chinese the entire debt that we are creating in this year, some \$300-some-odd billion that we did not raise in taxes, that we gave away this afternoon. We are going to go to the Chinese tomorrow and borrow that money.

Now, what difference does that make? Well, ultimately you have to deal with debt. You all have credit cards. You understand what you have to do with a credit card: you either pay it off, which means we have to raise taxes, or stop giving it away. Or in the case of a country, we can devalue our money.

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You say, well, why, what difference does that make? Well, if our money, if the Chinese borrowed a dollar that was worth this amount, and we now drop it down by 50 percent, they have lost 50 percent of what they lent us. How do you think they feel when we do something like that? Well, the next time we come to lend, they say, give us a higher interest rate. Now, lowering the value of the dollar, which happened in 1983, 1985, some people remember when our money went down, and people lost a lot of money. That was a devaluation, and we are heading for another devaluation in this country.

When it happens, we will also have inflation because with the cheaper dollar we can buy more, and it is easier to buy foreign goods. So we will buy more, and they will buy our goods, and they will demand higher interest rates.

Now, the Fed's try to control inflation by driving up interest rates. Some may even remember when our interest rates were 22 percent, when buying a house was absolutely impossible. Well, then interest rates came down because we changed our fiscal policy. We paid our debt. We started borrowing. Under Mr. Clinton we actually went into a positive state. We no longer were borrowing. We were actually taking in more and paying down some of that debt. But in the last years since 2000, we have just gone on a wild spree, and we have gotten ourselves deeper and deeper in debt. People like me worry about that because my children are going to pay for it, not me. In fact, it may be my grandchildren that pay for it.

There are two categories of debt that you have to worry about. One, of course, in this country is personal debt. Now, lots of people bought houses in the last year, last years, 5, 6 years, and they have been buying houses because the interest rates were low. They were buying on interest only, or they were buying on ARM, that means ad-

justable rate mortgages, and all of those had a term, an adjustable rate of 4 or 5 years, and those ARMs are coming due now.

Because of what is happening in terms of the dollar and in terms of inflation, the Fed's are raising it every month. Since March of 2004, the ARM rate has gone up 59 percent, and it could easily jump 50 percent when these adjustable rates happen. Some people are going to lose their houses. Listen to the children.

The SPEAKER pro tempore (Mr. PRICE of Georgia). Under a previous order of the House, the gentleman from Indiana (Mr. BURTON) is recognized for 5 minutes.

(Mr. BURTON of Indiana addressed the House. His remarks will appear hereafter in the Extensions of Remarks.)

#### WITHDRAWAL FROM IRAQ

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Iowa (Mr. LEACH) is recognized for 5 minutes.

Mr. LEACH. Mr. Speaker, last week the House entertained 10 hours of debate on the Iraq war. The unamendable resolution which formed the basis of the debate was a partisan measure crafted to be a simple endorsement of our troops, a subject upon which all Americans are united. But the resolution also scoffed at the notion of establishing time lines for withdrawal and thus implicitly sanctioned a prolonged engagement, implying that it might be considered a 21st century version of Lyndon Johnson's Gulf of Tonkin resolution.

During the debate, several of us suggested that the longer we stay in Iraq, the greater the prospect that forces of anarchy will multiply and spread, perhaps across oceans. I would like to amplify on this concern.

From an American perspective, the two central issues in our Iraq policy are how best to advance our long-term national interests and how best to protect our troops. At issue is whether a prolonged engagement makes better sense than a time-lined withdrawal policy.

The case for a prolonged engagement involves a neocon objective of establishing semipermanent bases in Iraq and neighboring emirates from which American military power, or the threat thereof, can be readily projected against Syria or Iran, or potentially Saudi Arabia if it were to become radicalized. It also allows greater flexibility in support of the new Iraqi Government. On the other hand, there is a thin line between being a liberating and an occupying power that many in the Muslim world either do not accept or think has been crossed.

Sometimes it is as hard to determine when to end a war as when to start one. It may have been a mistake to inter-

vene in Iraq in the first place, but clearly a precipitous departure after our initial engagement would have been an error. By the same token, prolonging our involvement runs the risk of causing American forces supporting the Shi'a majority government to be seen by Sunnis as favoring one side in an intrareligious conflict. Worse yet, the longer we stay, the more we will be seen as an occupying force, embarrassing to the Muslim world, causing the prospect of a long-lasting conflict between the Judeo-Christian and Muslim civilizations to increase in likelihood.

It is important to give momentum to and solidify Iraqi democracy, but there are tipping points in all struggles. We are at a point where action/reaction engagements could all too easily and rapidly intensify in asymmetric and multigeographic ways if the struggle to build a new Iraq comes to be perceived as an imperial American imposition on Iraqi sovereignty instead of an effort by Iraqis working to shape their own future.

This is why it is so important that we reframe the discourse away from WMD and 9/11 concerns and define instead the establishment of democracy as our principal reason for intervention, and thus the logical basis for disengagement. Now that a Constitution has been written, elections held, and a government formed, we should forthrightly announce that we are prepared to draw down our troops in a measured, orderly way. A hasty departure would be imprudent, but the sooner the disengagement process begins, the better. Our goal may be to fight anarchistic forces over there rather than here, but we must understand that prolonging our involvement over there could precipitate a gathering storm of resentment which could make violence here more rather than less likely.

With regard to protecting our troops, it is impressive that in polling data reported by the Brookings Institute, 47 percent of Iraqis favor attacking American forces, and 87 percent favor time lines for withdrawal. Occupation is neither the American way, nor is it tolerable for Muslims. While precipitous withdrawal after our intervention might have led to civil war and a breakup of the Iraqi state, the logic of these polling statistics would seem to indicate that Iraqis have become weary of and humiliated by a foreign occupying presence.

The rationale for attacks against American forces would be undercut if Muslims had confidence that we were committed to an orderly and timely withdrawal policy. If we do not begin to leave Iraq now that democratic institutions have been put in place, anarchistic acts will continue, and the other side may be in a position to say when we eventually draw down our forces that they have somehow forced us out. Little would be worse for the American national interest or more demoralizing for all those who have